Introduced by Senator Aanestad

February 23, 2006

An act to amend Section 60101 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1522, as introduced, Aanestad. Sales and use tax: exemption: dyed diesel fuel.

Under existing law, there is exempted from sale and use taxes, the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, specially dyed or marked diesel fuel used in farming activities and food processing. Existing law prohibits the operation or maintenance on a public highway of a motor vehicle using dyed diesel fuel with exceptions, as provided.

This bill would add operators of emergency response vehicles to the list of exemptions for vehicles allowed to use dyed fuel on public highways.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1   SECTION 1. Section 60101 of the Revenue and Taxation
2 Code is amended to read:
3   60101. (a) Diesel fuel that is required to be dyed satisfies the
4 dyeing requirement of this part if it meets the dyeing
5 requirements of the United States Environmental Protection
6 Agency and the Internal Revenue Service, including, but not
7 limited to, requirements respecting type, dosage, and timing.

1 (b) Marking shall meet the marking requirements of the
2 Internal Revenue Service.
3 (c) No person shall operate or maintain a motor vehicle on any
4 public highway in this state with dyed diesel fuel in the fuel
5 supply tank. This subdivision does not apply to uses of dyed
6 diesel fuel on the highway that are lawful under the Internal
7 Revenue Code or regulations promulgated thereunder, if the
8 person is registered as a qualified highway vehicle operator,
9 *operator of an emergency response vehicle,* exempt bus operator,
10 or government entity, or if the person is an intercity bus operator,
11 as defined in Section 60046, who is registered as an interstate
12 user under this part.

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